

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

STEVE COWPER, GOVERNOR

P.O. BOX 7034
ANCHORAGE, ALASKA 99510-7034

December 4, 1986

ARCO Alaska, Inc.
P. O. Box 100360
Anchorage, AK 99510-0360

Standard Alaska Production Company
P. O. Box 196612
Anchorage, AK 99519-6612

Attn: Mr. H. P. Foster, Jr.
Senior Vice President

Attn: Mr. Douglas M. Webb
Vice President - Operations

Subject: Prudhoe Bay Unit
Establishment of Initial Lisburne Participating Area

Dear Messrs. Foster and Webb:

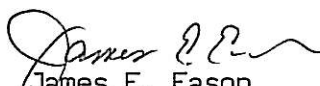
The Division of Oil and Gas has reviewed the proposed Initial Lisburne Participating Area for the Prudhoe Bay Unit, submitted to this office on September 15, 1986, and amended by additional submissions on October 9, 1986. The division has also reviewed the information provided by certain of the Prudhoe Bay Unit Working Interest Owners at several meetings held between division staff and those Working Interest Owners.

After careful consideration of all information currently available, I have come to the conclusion that the Initial Lisburne Participating Area, as submitted and amended, does in fact meet the criteria for the formation of a participating area as set out in 11 AAC 83.351. Therefore, the Initial Lisburne Participating Area, as submitted and amended, is hereby approved. Pursuant to 11 AAC 83.371, the allocations of production and cost shall be as set forth in the Tract Allocations of Exhibit 1 to this decision.

The division hereby also waives its requirement that a request to form a participating area be submitted at least 90 days prior to sustained unit production [11 AAC 83.351]. Pursuant to your request, the effective date of the Initial Lisburne Participating Area shall be 12:01 a.m. December 1, 1986.

The Plan of Development and Operation for the Initial Lisburne Participating Area will be approved separately.

Sincerely,


James E. Eason
Director

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AGO 10105278

Exhibit 1
LISBURNE PARTICIPATING AREA
EFFECTIVE 12:01 A.M. DECEMBER 1, 1986

<u>Tract</u>	<u>ADL #</u>	<u>Legal Description</u>	<u>Acres</u>	<u>Working Interest</u>	<u>Tract Participation</u>
25	28277	T12N, R13E, UM: Sec. 36	640	Standard - 100%	0.017
26	28299	T12N, R14E, UM: Secs. 29, 31, 32	1871	ARCO - 50% Exxon - 50%	0.187
27	28300	T12N, R14E, UM: Secs. 27, 28, 33, 34	2560	ARCO - 50% Exxon - 50%	1.717
28	28301	T12N, R14E, UM: Secs. 25, 26, 35, 36	2560	ARCO - 50% Exxon - 50%	2.444
29	34628	T12N, R15E, UM: Secs. 29, 30, 31, 32	2459	ARCO - 50% Exxon - 50%	3.330
30	34629	T12N, R15E, UM: Secs. 27, 28, 33, 34	2560	ARCO - 50% Exxon - 50%	3.526
31	34630	T12N, R15E, UM: Secs. 25, 26, 35, 36	2560	Standard - 100%	1.377
32	34635	T12N, R16E, UM: Secs. 31, 32	1231	Standard - 100%	0.815
33	34634	T12N, R16E, UM: Secs. 28, 33, all; Sec. 34 W/2 NW/4, SW/4, SW/4 SE/4	1560	Standard - 100%	0.649
36	28337	T11N, R16E, UM: Secs. 3, 4, 9, 10	2560	Standard - 100%	0.659
37	28338	T11N, R16E, UM: Secs. 5, 6, 7, 8	2469	Standard - 100%	0.896
38	28320	T11N, R15E, UM: Secs. 1, 2, 11, 12	2560	Standard - 100%	6.719
39	34631	T11N, R15E, UM: Secs. 3, 4, 9, 10	2560	ARCO - 50% Exxon - 50%	8.610
40	34632	T11N, R15E, UM: Secs. 5, 6, 7, 8	2469	ARCO - 50% Exxon - 50%	7.342
41	28302	T11N, R14E, UM: Secs. 1, 2, 11, 12	2560	ARCO - 50% Exxon - 50%	5.418
42	28303	T11N, R14E, UM: Secs. 3, 4, 9, 10	2560	ARCO - 50% Exxon - 50%	2.249

<u>Tract</u>	<u>ADL #</u>	<u>Legal Description</u>	<u>Acres</u>	<u>Working Interest</u>	<u>Tract Participation</u>
43	28304	T11N, R14E, UM: Secs. 5, 6, 7, 8	2469	ARCO - 50% Exxon - 50%	0.538
44	28280	T11N, R13E, UM: Secs. 1, 12	1280	Standard - 100%	0.038
59	28285	T11N, R13E, UM: Sec. 13	640	Standard - 100%	0.030
60	28305	T11N, R14E, UM: Secs. 17, 18, 19, 20	2480	Standard - 100%	0.145
61	28306	T11N, R14E, UM: Secs. 15, 16, 21, 22	2560	ARCO - 50% Exxon - 50%	0.919
62	28307	T11N, R14E, UM: Secs. 13, 14, 23, 24	2560	ARCO - 50% Exxon - 50%	3.527
63	28321	T11N, R15E, UM: Secs. 17, 18, 19, 20	2480	ARCO - 50% Exxon - 50%	8.554
64	28322	T11N, R15E, UM: Secs. 15, 16, 21, 22	2560	ARCO - 50% Exxon - 50%	10.068
65	28323	T11N, R15E, UM: Secs. 13, 14, 23, 24	2560	ARCO - 50% Exxon - 50%	11.080
66	28339	T11N, R16E, UM: Secs. 17, 18, 19	1840	Standard - 100%	3.155
66A	28339	T11N, R16E, UM: Sec. 20	640	Standard - 100%	1.083
67	28340	T11N, R16E, UM: Secs. 15, 16	1280	Standard - 100%	0.030
67A	28340	T11N, R16E, UM: Sec. 21	640	Standard - 100%	0.200
69	28343	T11N, R16E, UM: Sec. 30, 31, 32	1851	Standard - 100%	2.413
69A	28343	T11N, R16E, UM: Sec. 29	640	Standard - 100%	1.116
70	28324	T11N, R15E, UM: Secs. 25, 26, 35, 36	2560	ARCO - 50% Exxon - 50%	4.325
71	28325	T11N, R15E, UM: Secs. 27, 28, 33, 34	2560	ARCO - 50% Exxon - 50%	3.718
72	28326	T11N, R15E, UM: Secs. 29, 30, 31, 32	2491	ARCO - 50% Exxon - 50%	1.994

<u>Tract</u>	<u>ADL #</u>	<u>Legal Description</u>	<u>Acres</u>	<u>Working Interest</u>	<u>Tract Participation</u>
73	28308	T11N, R14E, UM: Secs. 25, 26, 35, 36	2560	ARCO - 50% Exxon - 50%	0.246
74	28309	T11N, R14E, UM: Secs. 27, 28, 34	1920	Standard - 100%	0.089
92	28328	T10N, R15E, UM: Secs. 3, 4	1280	ARCO - 50% Exxon - 50%	0.026
93	28327	T10N, R15E, UM: Secs. 1, 2	1280	ARCO - 50% Exxon - 50%	0.040
94	28345	T10N, R16E, UM: Secs. 5, 6	1249	ARCO - 50% Exxon - 50%	0.117
95	28344	T10N, R16E, UM: Sec. 4	640	ARCO - 50% Exxon - 50%	0.025
114	28342	T11N, R16E, UM: Secs. 28, 33	1280	Standard - 100%	0.569

41 Tracts (38 Leases)	80,039 Acres	100.000%
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ARCO is ARCO Alaska, Inc.
Exxon is Exxon Corporation
Standard is Standard Alaska Production Company

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